

Llanthony Secunda Priory – position statement

Cabinet resolved

1. That the restrictive covenants be removed in accordance with the request from the Trust
2. That planning committee be requested to vary the S106 relating to the property
3. That the resolutions in 1 and 2 above be subject to agreeing a provision for continuing public access to the property and that the City Council shall have the continued right to nominate a Trustee

Following the ‘call-in’ it would appear that various other demands have been made, through the scrutiny process, by councillors outside of Cabinet. Critically an ability for the property to revert to the City Council should the Trust fail.

Llanthony Trustees have considered these issues in detail and would comment as follows

- A. The Trust accepts the continued right to nominate a Trustee by the City Council. Although in the light of limited numbers of Trustees, and the need for the trust to secure appropriate skill sets, the Trust wishes to stick with the cabinet decision i.e. one nominee. It is important to note that as the Trust moves forward, hopefully with HLF support, it will require all of its Trustees to undertake work and responsibilities in addition to attending board meetings. For these reasons the right to nominate a Trustee must be mutually agreed and based on skill sets and roles. This would be formally dealt with by amending the Trust Memorandum and Articles.
- B. The trust is absolutely wedded, through its articles, to public access through both our objectives and demonstrably by our actions over the last 6 years. The site has never been closed to the public and whilst access is sometimes restricted (canal side gate closed at night) this has been the result of police advice. EH and HLF grant support additionally requires public access to the site. Following discussion, one way of providing even greater comfort would be to note the need for reasonable public access on the title deeds.
- C. Without removal of the covenants there is effectively no HLF bid and Councillors must understand the implications. The HLF bid is predicated upon a business plan that would allow the Trust to let part of the site and thereby secure a long term income to maintain and manage the other heritage assets on the site. The most effective way to do this is to remove the option agreement which explicitly precludes such action. As this option agreement also contains the reversion clause i.e. the ability of the City Council to re-acquire the site for a £1, then an alternative approach might be required. Further legal advice has identified that should the Trust, as a registered charity, fail there is every likelihood that the option would be set aside as it is limited to £1 and not the full market value i.e. the Council would not be able to buy the site back . Upon insolvency it is likely that the site would be sold to pay creditors and any residual monies applied to a similar charity. So, in essence the comfort value of the reversion clause is clearly very limited.

One approach would be for the Trust to offer the City Council the option, for what it is worth, until the point in time when financial security is attained. Such a condition precedent would be at the point of a successful Round 2 HLF pass. After that point the option simply falls away. In reality, if the Trust secures a round two HLF pass then it will be investing well over £3 million into the site, and therefore the City would have to pay a similar sum to re-acquire it.

If the Trust HLF bid has been damaged by the negative press coverage then the Trustees may elect to voluntarily wind-up the Trust and allow the City to re-acquire for £1; this would be tenable as it would be voluntary and not as a result of insolvency.

- D. The S106 – again it would be prudent to lose the whole document as it too is noted on the title deeds and yet all actions pertaining to the construction of the College were discharged a long time ago. This may need the involvement of Gloucestershire County as there are clauses relating to highways works associated with the College – all completed many years ago.

These actions i.e. loss of both the option agreement and S106 would allow the Trust the ability to act independently as I believe was the original intention in 2007. Equally with the proposed caveats it would enshrine the public access and the representation from the City Council, whilst also offering the City the ability to regain the site if the HLF bid is not successful.

Clearly these proposals will need to be considered by Full Council but should the will of the Council be to retain the current agreements then the stark reality is that the Trust will not be able to deliver its ambitions as the current documentation, probably inadvertently rather than deliberately, precludes the delivery of an effective business proposal. In which case the purpose of the Trust is negated and the best solution will be to return the site to the protection of the City Council and wind-up the Trust.

The LSPT wishes to record that it does not regard the recent events as helpful or positive to the prospects of the HLF bid or to the Trust itself. The Trust has achieved an enormous amount, secured considerable investment and progressed a very high quality HLF grant submission. All of this has been done entirely through the volunteer time of a small number of dedicated trustees. Whilst the Trust respects the Council's decision making processes, an unintended consequence of the public exposure to the 'call in' is that the Trust's credibility has been undermined. In particular, councillors have made references to liquidators and official receivers (including on BBC Radio). The message received by many is that 'the Trust is not to be trusted'. We do hope that the Trust's credibility can be restored through reaching a swift agreement with the Council on the above matters, and through a successful HLF bid outcome.

In the circumstances LSPT requests that, should the City Council agree to these proposals, that it also gives consideration to paying the Trust's reasonable legal fees to enact these changes to the title documents and Memorandum and Articles.

Jem Williamson, On behalf of Trustees